

Mars Announces Progress and Action Plans towards a Deforestation-free Cocoa Supply Chain

- Mars shares an ambition of a deforestation-free global cocoa supply chain by 2025;
- Mars discloses its cocoa suppliers, countries of origin and traceability progress;
- Mars commits to exclusively work with cocoa suppliers whose action plans and progress is aligned with Mars' Cocoa for Generations plan;
- Mars shares detailed action plans for Cote d'Ivoire and Ghana, where over 65% of the world's cocoa is grown as well as timelines for Indonesia, Brazil, Cameroon and Ecuador.

CHICAGO (March 21, 2019) — Mars Wrigley Confectionery, a maker of chocolate for more than 100 years and one of the largest users of cocoa, marks today's celebration of International Day of Forests by launching new commitments to preserve forests. This follows the release of Cocoa for Generations in September 2018, the company's strategy to drive towards a sustainable cocoa supply chain that is fully traceable by 2025.

John Ament, Global Cocoa Vice President at Mars Wrigley Confectionery, said "Our Cocoa for Generations plan embodies our sustainability strategy for cocoa, with protecting people and the planet at its core. Today's announcement shares our success so far - we have already traced a quarter of our global supply chain. In order to achieve our 2025 ambition of a deforestation-free cocoa supply chain for cocoa we source, we will ensure 100% traceability, and will only work with cocoa supply chain partners who can meet our Responsible Cocoa specifications. We are proud to share our actions to preserve and protect forests for the future, because the world we want tomorrow starts with how we do business today."

Janet Ranganathan, Vice President, Science & Research at World Resources Institute said "I commend Mars for having the courage to make a bold commitment to a deforestation free cocoa supply chain and for being transparent about its progress. This commitment, together with additional ones on protecting children, improving farmers' income, and monitoring for impact, has the potential to be a game changer."

Since launching Cocoa for Generations where we committed to preserving forests and a traceable supply chain for Responsible Cocoa by 2025, we're proud to already have GPS-mapped 24% of our global cocoa supply chain to farm level. Now we are taking additional actions to preserve forests including the following:

- An ambition of a deforestation-free [1] cocoa supply chain by 2025;
- Mapping via GPS 100% of the cocoa we source to farm level by 2025;
- Disclosure of cocoa countries of origin, our current Tier 1 suppliers and progress on traceability to Tier 2 farmer groups and Tier 3 farmers as part of <u>our promise of transparency</u>;
- Exclusively sourcing from suppliers who meet our Responsible Cocoa specification of traceability for direct sourcing by 2019 and indirect sourcing by 2022 in Cote d'Ivoire and Ghana;
- Detailed action plans for Côte d'Ivoire and Ghana as part of our contribution to the <u>Cocoa and Forests Initiative</u>.
- In 2019, completing risk assessments for Indonesia, Brazil and Cameroon to be published in 2020;
- Completion of risk assessments for Ecuador and the other countries we source from by 2020.
- Use of third-parties to monitor and verify our progress.

To date, Mars can trace 95% of the cocoa we source to a country of origin via our Tier 1 direct suppliers. [i] Nearly 40% of our cocoa supply chain can be traced to Tier 2 - farmer group [ii] - and 24% of our supply chain can be traced to a Tier 3 - farm level. [iii] We have more to be done and are committed to accelerate our progress by working only with cocoa suppliers who can be accountable to meet the milestones laid out in our Cocoa for Generations plan.

Every year Mars will report on our progress against the commitments and goals of our Cocoa for Generations plan.

^[1] As defined by the Accountability Framework initiative



About Mars, Incorporated

Mars is a family-owned business with more than a century of history making diverse products and offering services for people and the pets people love. With more than \$35 billion in sales, the company is a global business that produces some of the world's best-loved brands: M&M's*, SNICKERS*, TWIX*, MILKY WAY*, DOVE*, PEDIGREE*, ROYAL CANIN*, WHISKAS*, EXTRA*, ORBIT*, 5™, SKITTLES*, UNCLE BEN'S*, and COCOAVIA*. Mars Associates proudly take care of half of the world's pets through our nutrition, health and services businesses such as Banfield Pet Hospitals™, BluePearl®, Linnaeus, AniCura, VCA™ and Pet Partners™. Headquartered in McLean, VA, Mars operates in more than 80 countries. The Mars Five Principles − Quality, Responsibility, Mutuality, Efficiency and Freedom − inspire our more than 115,000 Associates to take action every day to help create a world tomorrow in which the planet, its people and pets can thrive.

For more information about Mars, please visit <u>www.mars.com</u>. Join us on <u>Facebook</u>, <u>Twitter</u>, <u>LinkedIn</u>, <u>Instagram</u> and <u>YouTube</u>.

About the Cocoa and Forest Initiative

Collaborating to prevent deforestation: Mars is a signatory to the World Cocoa Foundation's Cocoa & Forests Initiative (CFI) established in 2018. The Cocoa and Forests Initiative is an active commitment of cocoa-producing countries Côte d'Ivoire, Ghana and Colombia with leading chocolate and cocoa companies. In each country, far-reaching Frameworks for Action have been signed to end deforestation and restore forest areas. Central to the Frameworks is a commitment to no further conversion of any forest land for cocoa production. The companies and governments pledged to eliminate illegal cocoa production in national parks, in line with stronger enforcement of national forest policies and development of alternative livelihoods for affected farmers.

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^[i] Country of origin and supplier volumes fluctuate regularly. This information is based on market data, reports from suppliers and agreements with suppliers. Mars sources cocoa via the mass balance approach, where all the cocoa we source corresponds with the cocoa produced by farmers in our Responsible and Sustainable programs. Cocoa from farmers in these programs can be physically traced from the farmer to the first point of purchase.

[ii] Based on reports from suppliers.

[[]iii] Based on reports from suppliers.